

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

### **I. DISPUTE**

1.
  - a. Whether there should be additional reimbursement for date of service 05/03/02.
  - b. The request was received on 07/18/02.

### **II. EXHIBITS**

1. Requestor, Exhibit I:
  - a. TWCC 60 and Letter Requesting Dispute Resolution
  - b. TWCC form 66-a
  - c. TWCC-62 forms
  - d. RED BOOK Database Product Services Electronic Drug Pricing Information
  - e. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II: Initial Response
  - a. TWCC 60
  - b. TWCC-62 form
  - c. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day response to the insurance carrier on 08/15/02. Per Rule 133.307 (g) (4), the carrier representative signed for the copy on 08/16/02. The 14 day response from the insurance carrier was received in the Division on 09/03/02. Based on 133.307 (i) the insurance carrier's response is untimely so the Commission shall issue a decision based on the request. The carrier's initial response was received on 08/08/02.
4. Notice of a letter requesting additional information as reflected in Exhibit III of the Commission's case file.

### **III. PARTIES' POSITIONS**

1. Requestor: Letter dated 08/12/02  
"Total dollar amount in dispute is \$26.32... The expected out come of this issue is that we feel the claims should be paid per Rule 134.503 (a)(2)(A). In accordance with this Rule, the following formula shall be utilized for generic medications:  $AWP \times \text{number of units} \times 1.25 + \$4.00 = \text{MAR}$ . In this case the patient received 60 pills the AWP is 164.48  $\times 1.25 + \$4.00 = 209.60$ . Therefore, reimbursement should be \$209.60 not the \$183.28 the Carrier paid."

2. Respondent: Response Untimely

#### IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only date of service eligible for review is 05/03/02.
2. Per the provider's TWCC-60, the amount billed is \$209.60; the amount paid is \$183.28; the amount in dispute is \$26.32.
3. The carrier denied the billed services by code, "Z12 – (M) CHARGE FOR THIS PROCEDURE EXCEEDS AVERAGE WHOLESALE PRICE PLUS MARK-UP".
4. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT or Revenue CODE	BILLED	PAID	EOB Denial Code	MARS	REFERENCE	RATIONALE:
05/03/02	J8499 Carisoprodol 350 mg # 60	\$209.60	\$183.28	M	Generic Drug Formula "((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee = MAR"	Rule 134.503 (a) (2) (A)	The provider billed the medication in accordance with Rule 134.503 (a) (2) (A). Therefore, additional reimbursement in the amount of \$26.32 is recommended.
<b>Totals</b>		\$209.60	\$183.28				The Requestor is entitled to additional reimbursement in the amount of <b>\$26.32</b> .

#### V. ORDER

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit \$26.32 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 12<sup>th</sup> day of December 2002.

Donna M. Myers  
Medical Dispute Resolution Officer  
Medical Review Division

DMM/dmm